



Fiscal Year 2018
Construction Contract Reporting

CONTRACT SERVICES DIVISION

February 2019

FY 2018 Letting Statistics

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FY 2018 Construction Contract Activity

BID LETTING STATS

	<u>FY 2018*</u>	<u>FY 2017*</u>
Number of Lettings:	35	27
Projects Let:	768	691
Eng. Est:	\$2.35 billion	\$1.34 billion
Low Bid Total:	\$2.23 billion	\$1.27 billion
Bids Received:	2,833	2,965
Individual Bidders-Bids Received:	228	229

STATE TRUNKLINE

(Projects Let)

FY 2018*

343 projects, 44.7% of total projects
\$1.76 billion, or 78.7% of total projects

FY 2017*

291 projects, 42.1% of total projects
\$902.4 million, or 71.3% of total projects

PROGRAM AREA (Projects Let)*

2018

409 Local, 14 Aeronautics, 2 Office of Rail, or 55.3% of the overall 768 projects Let
and \$475.2 million in low bid dollars

2017

388 Local, 10 Aeronautics, 2 Office of Rail, or 57.9% of the overall 691 projects Let
\$363.1 million in low bid dollars

PROJECTS UNSUCCESSFUL FOR AWARD

	<u>Low Bid Rejection/Appeal</u>	<u>Low Bid Withdrawals</u>	<u>No Bids Received</u>	<u>Not Considered Bids</u>	<u>All Bids Rejected</u>
2018	0	1	1	3	33 (7 State Trunkline)
2017	5	3	0	5	15 (7 State Trunkline)

PREQUALIFICATION

Number of Prequalified Contractors

FY 2018

664

FY 2017

648

CONTRACTS*

Number – Contracts Awarded

735*

676

Contract Total

\$2.12 billion*

\$1.27 billion

Top 10 Contracts

72.1% of total dollars*

62.7% of total dollars

PAYMENTS

Payment Estimates

9,434

10,957

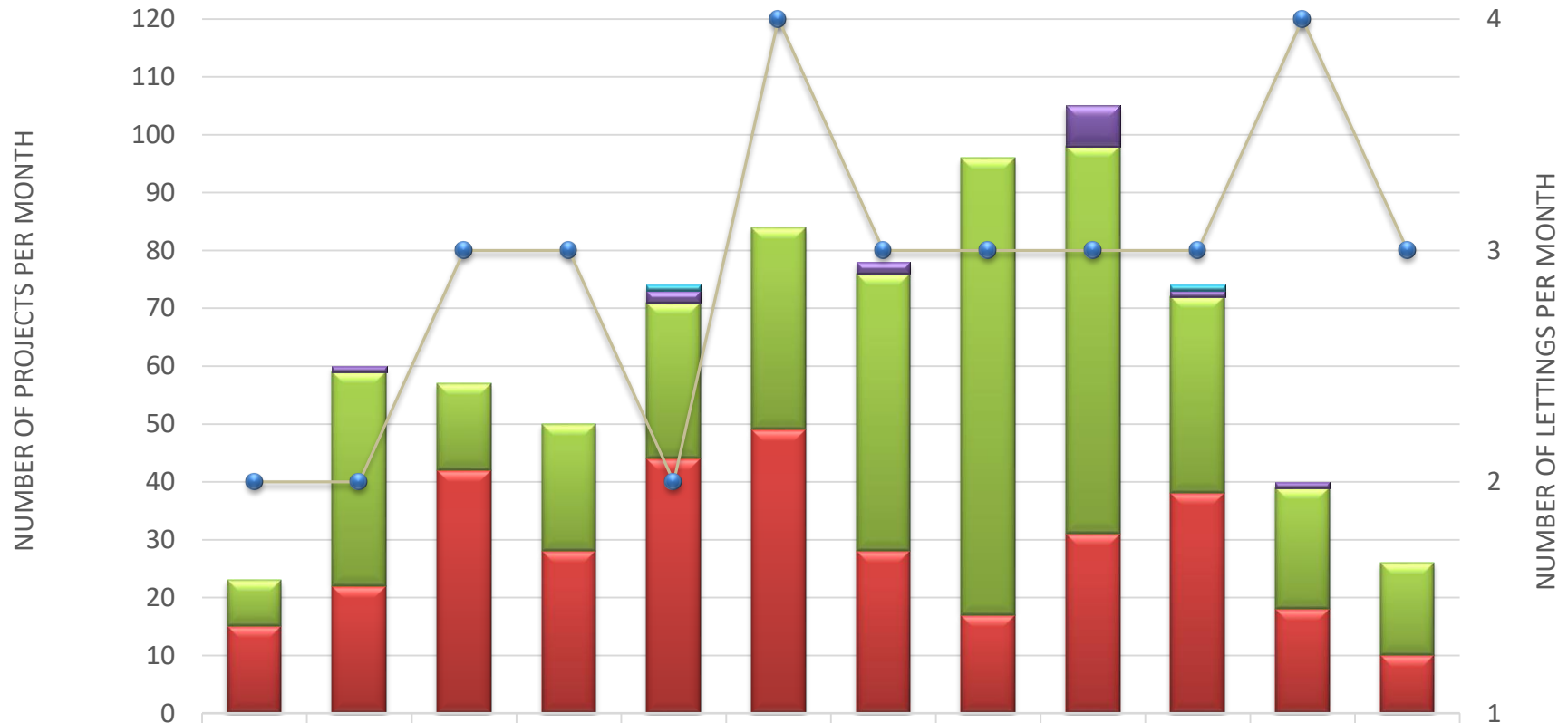
Dollars Paid

\$1.17 billion

\$1.26 billion

**Data presented in this report includes innovative contract activity*

Distribution of Lettings and Projects



- 35 lettings were held during FY 2018
- Number of projects ranged per letting from 1 to 97

TOP 10 Prime Contractors

Fiscal years 2017-2018 Comparison

Awarded Contracts

FY 2018	
Awarded Contractor	Awarded Amount
Oakland Corridor Partners	\$629,200,000.00
Dan's Excavating, Inc.	\$204,745,844.18
Toebe Construction LLC	\$138,124,500.13
Walsh Construction Company II, LLC	\$111,715,750.00
Rieth-Riley Construction Co., Inc.	\$102,444,916.84
Interstate Highway Construction, Inc.	\$89,121,197.57
Ajax Paving Industries, Inc.	\$72,493,730.96
Michigan Paving and Materials Company	\$62,415,883.84
Anlaan Corporation	\$60,914,194.65
C. A. Hull Co., Inc.	\$55,677,308.97
TOTAL - Top 10	\$1,526,853,327.14
2018 Total Contract Dollars	\$2,118,702,485.95
Percent of Total Program	72.07%

FY 2017	
Awarded Contractor	Awarded Amount
Dan's Excavating, Inc.	\$218,717,494.15
C.A. Hull Co., Inc.	\$170,429,751.80
Toebe Construction LLC	\$77,234,092.24
Rieth-Riley Construction Co., Inc.	\$63,512,465.52
Angelo Iafrate Construction Company	\$62,494,496.12
Michigan Paving and Materials Company	\$52,558,542.61
Ajax Paving Industries, Inc.	\$49,559,251.67
D. J. McQuestion & Sons, Inc.	\$37,752,314.50
Anlaan Corporation	\$33,597,807.52
Cadillac Asphalt, L.L.C.	\$29,846,519.55
TOTAL - Top 10	\$795,702,735.68
2017 Total Contract Dollars	\$1,268,690,217.34
Percent of Total Program	62.72%

Distribution of Prequalified Contractors

By Financial Rating

PREQUALIFICATION RANGE	FY 2018		FY 2017	
	NUMBER	PERCENT	NUMBER	PERCENT
	<u>of Contractors</u>	<u>of total Number</u>	<u>of Contractors</u>	<u>of total Number</u>
\$0 - \$2,000,000	343	51.66%	322	49.69%
\$2,000,001 - \$10,000,000	21	3.16%	20	3.09%
\$10,000,001 - \$20,000,000	57	8.58%	62	9.57%
\$20,000,001 - \$100,000,000	137	20.63%	151	23.30%
\$100,000,001 and Above	106	15.96%	93	14.35%
TOTALS	664	100.00%	648	100.00%

- 664 construction contractors were prequalified during FY 2018
- 148 contractors worked on projects as prime (unique contractors)

TOP 10 Work Type Classifications

Number of Prequalified Contractors in each class

WORK CLASSIFICATION	NUMBER OF PREQUALIFIED CONTRACTORS	WORK TYPE DESCRIPTION
Ea	313	Grading, Drainage Structures, and Aggregate Construction
K	226	Sewers and Watermains
J	209	Miscellaneous Concrete Items
I	193	Seeding and Sodding/Turf Establishment
N2	167	Clearing
G	111	Building Moving and Demolition
Ba	109	Concrete Pavement Patching and Widening
Fa	104	Bridges and Special Structures
Cb	97	Plant-Mixed hot Mix Asphalt/Bituminous Paving
Fd	83	Pump Stations

PROJECTS BY PROGRAM AREA

Number of Projects Let
FY 2014 - FY 2018

NUMBER OF PROJECTS

1,000
900
800
700
600
500
400
300
200
100
0

FY 14

FY 15

FY16

FY17

FY18

STATE

348

277

309

291

343

LOCAL

544

490

429

388

409

AERO

31

35

2

10

14

OFFICE OF RAIL

3

3

2

2

2

10.03%
increase

Totals

926

805

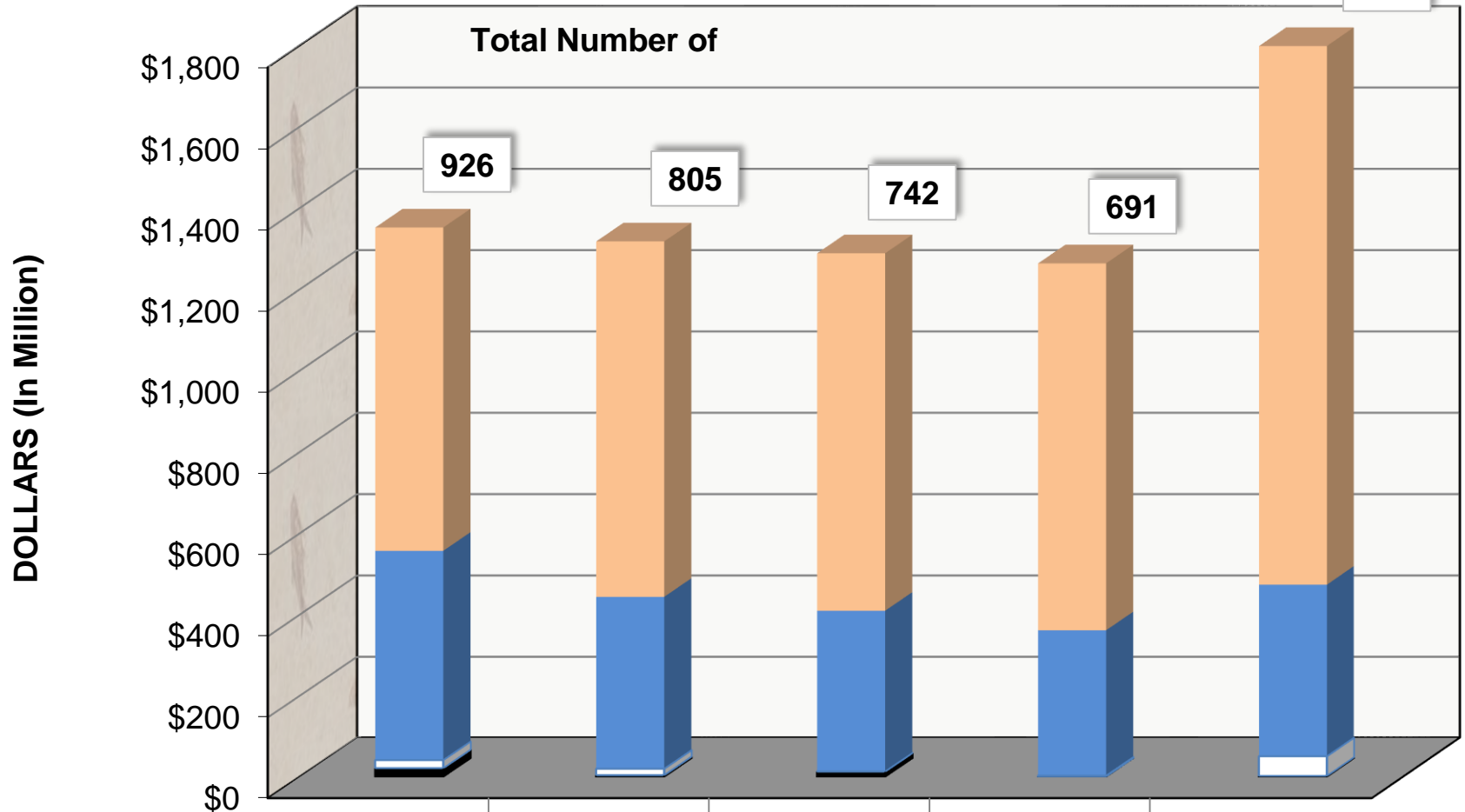
742

691

768

PROJECT BY PROGRAM AREA

Project Dollars Let - 5 Year Comparison



STATE

LOCAL

AERO

OFFICE OF RAIL

Totals

FY 14
\$795.17
\$516.22
\$20.10
\$22.19
\$1,353.68

FY 15
\$874.15
\$424.55
\$15.95
\$4.82
\$1,319.47

FY16
\$879.09
\$397.23
\$0.15
\$13.77
\$1,290.24

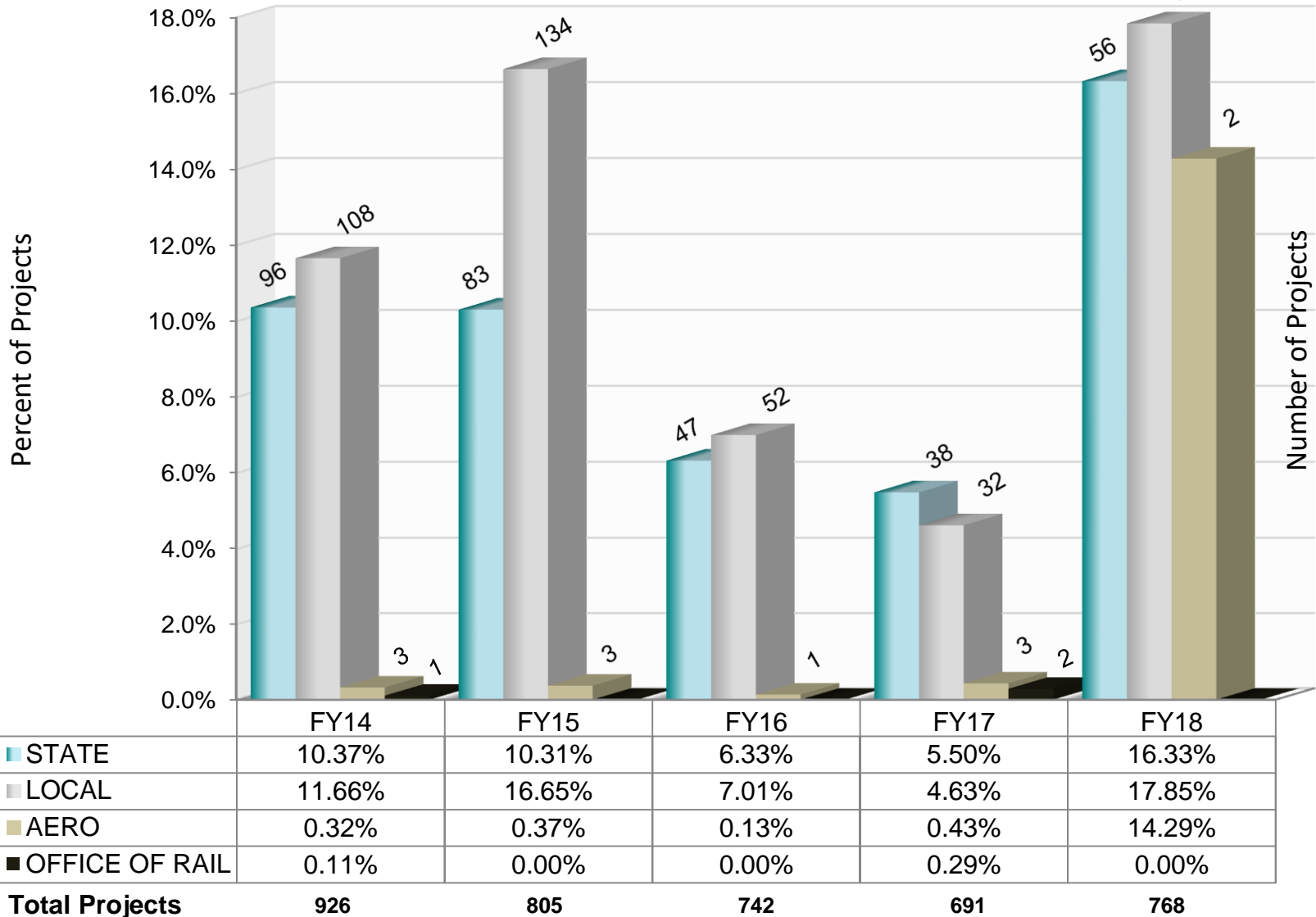
FY17
\$902.36
\$359.40
\$3.09
\$0.62
\$1,265.47

FY18
\$1,757.70
\$423.48
\$48.75
\$2.98
\$2,232.91

State Trunkline projects represented \$1.76 billion, or 78.7%, of the total project dollars

ACCURACY OF ENGINEER ESTIMATES

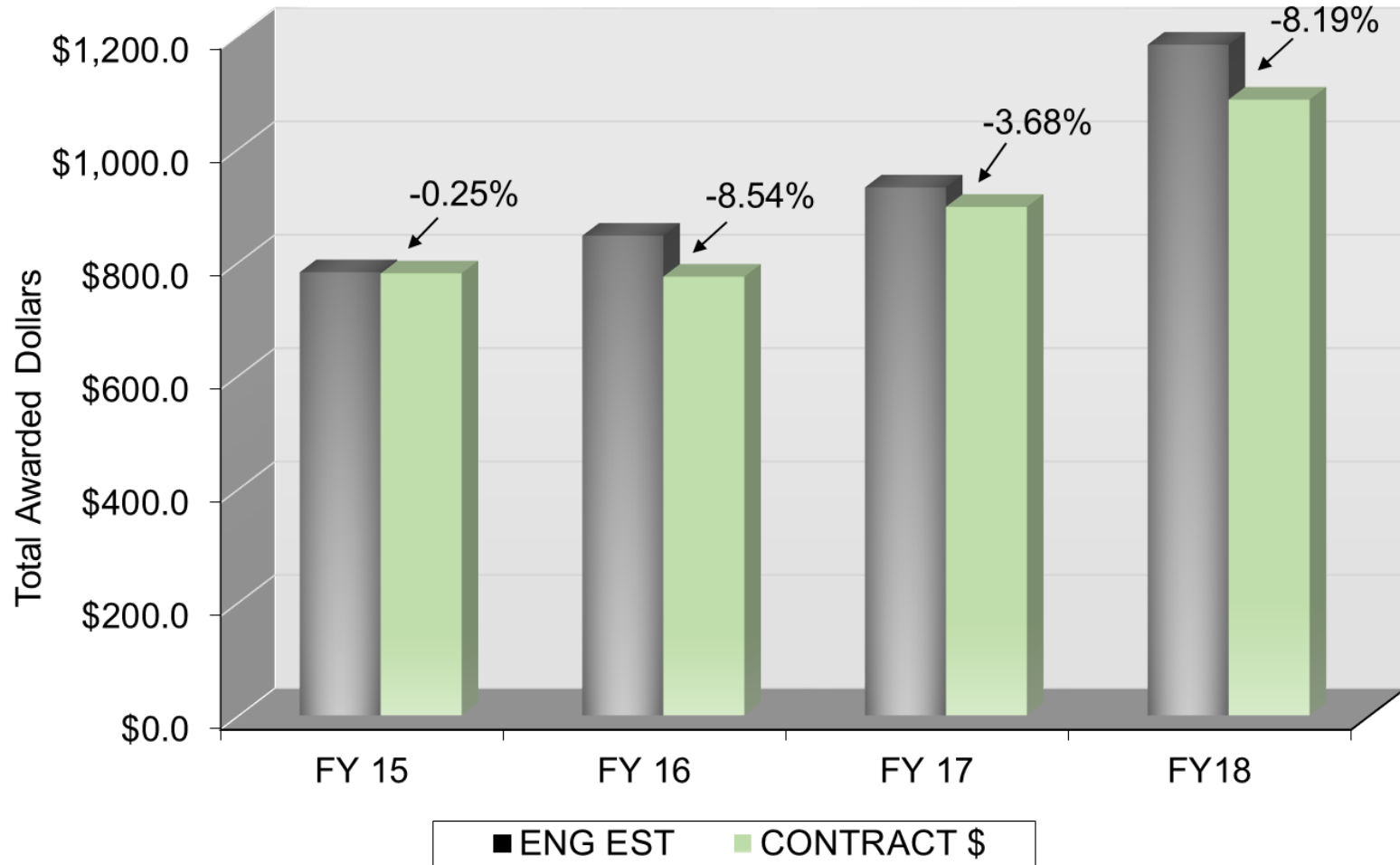
Percent of Projects Let 10%
Over the Engineer's Estimate



■ 56, or 16.3%, of the State Trunkline project low bids received were 10% over the engineer's estimate of the overall 768 projects let

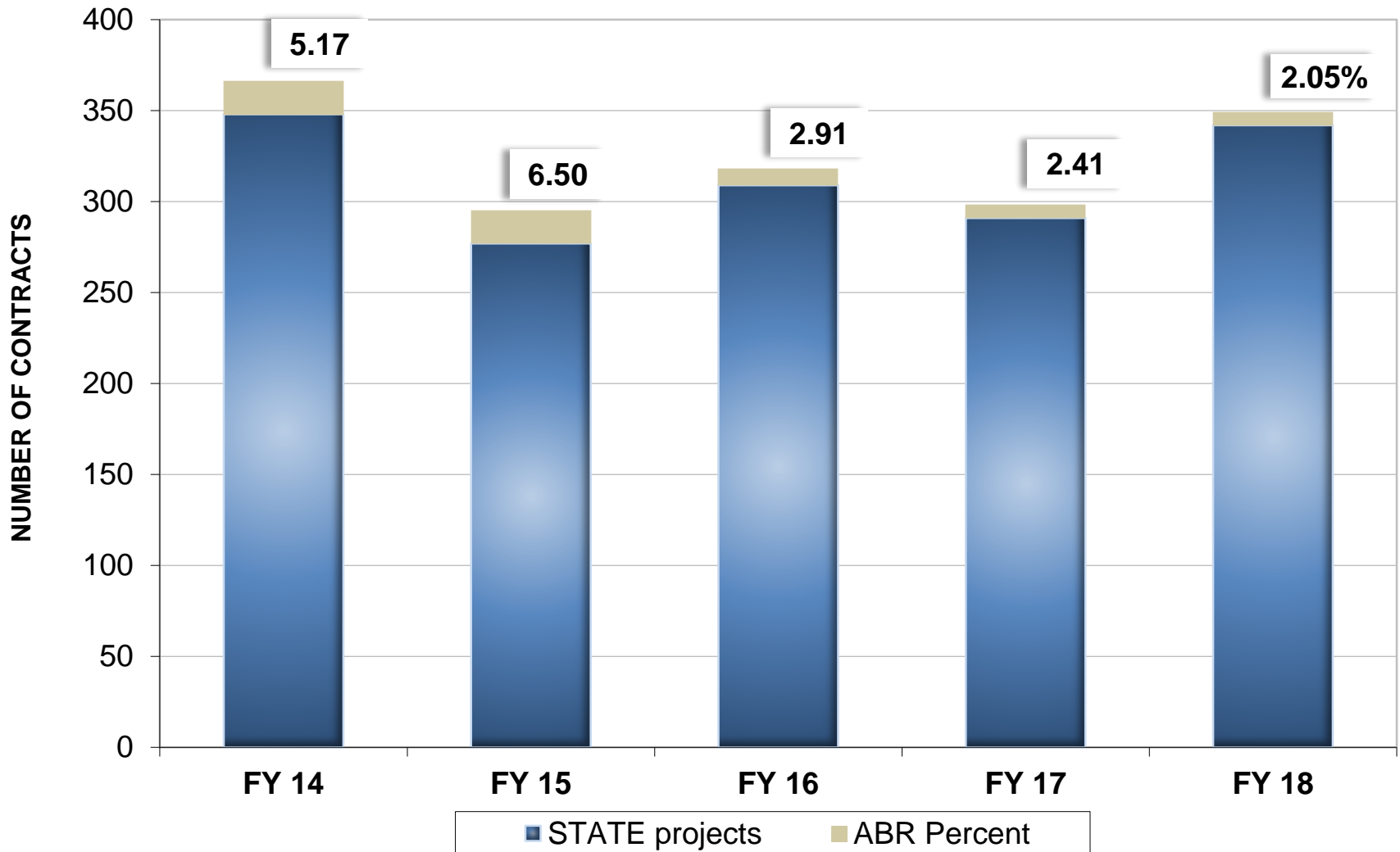
ACCURACY OF ENGINEER ESTIMATES

Project Bids Awarded vs. Engineer Estimates
State Trunkline Projects



- This chart represents the difference of total project dollars awarded above or below the engineer's estimates for each fiscal year
- 49.53% met the FHWA requirement of no greater than 50% for construction contracts to fall within 10% above and below the engineer's estimate

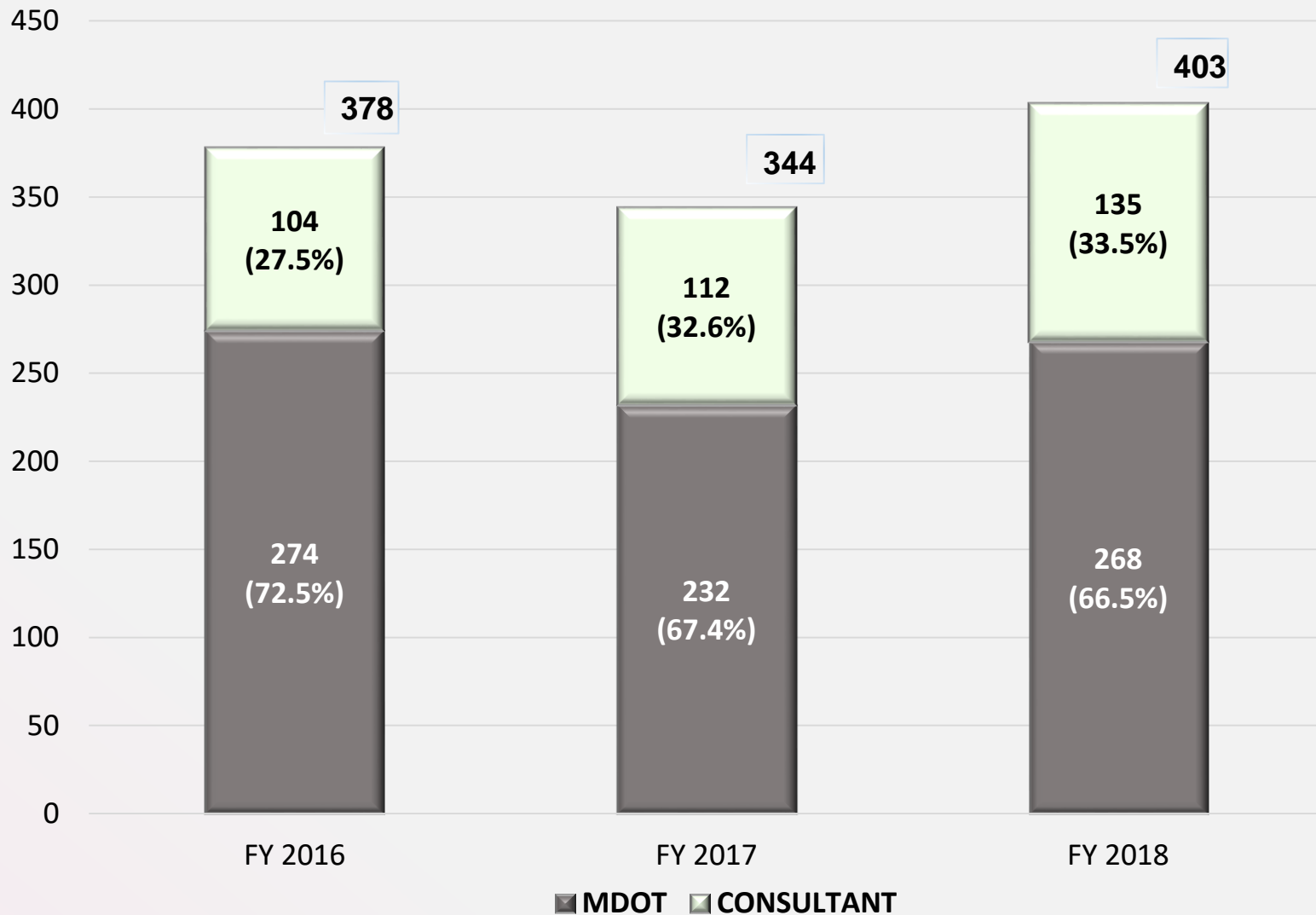
STATE PROJECTS vs. ALL BIDS REJECTED



■ Seven, or 2.05% of the 343 State Trunkline projects let, resulted in rejection of all bids

Design of STATE TRUNKLINE Projects

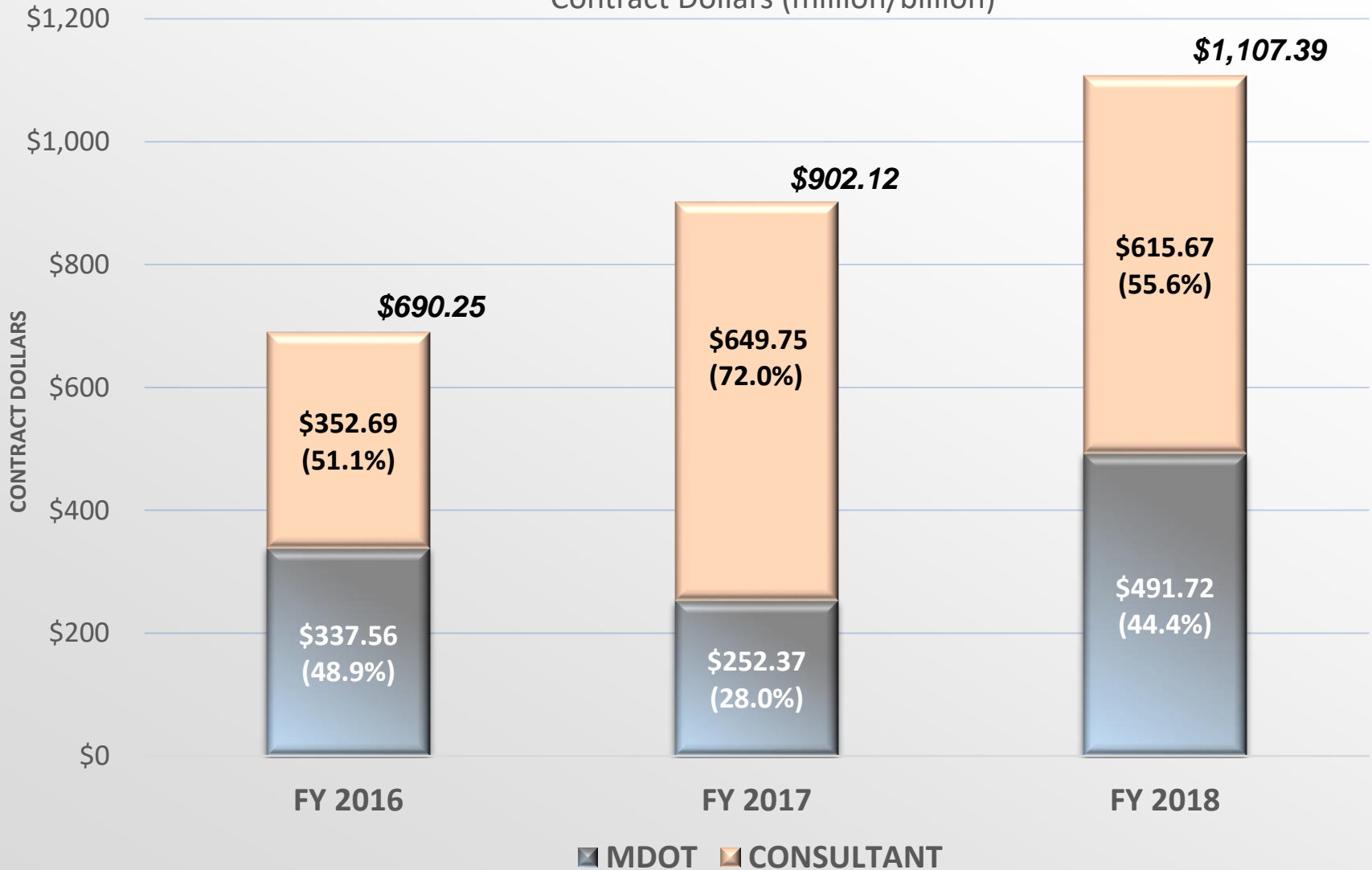
Number of Projects



- MDOT designed 268 projects during FY18 of the 403 projects designed
- During FY17, MDOT designed 232 of 344 projects designed

Design of STATE TRUNKLINE Projects

Contract Dollars (million/billion)



- For FY18, MDOT designed 44.4%, or \$491.7 million of the \$1.11 billion in total contract dollars
- During FY17, MDOT designed 28.0%, or \$252.37 million, of the \$902.1 million in contract dollars

Unbalanced Bid Review

“Unbalanced” Bidding

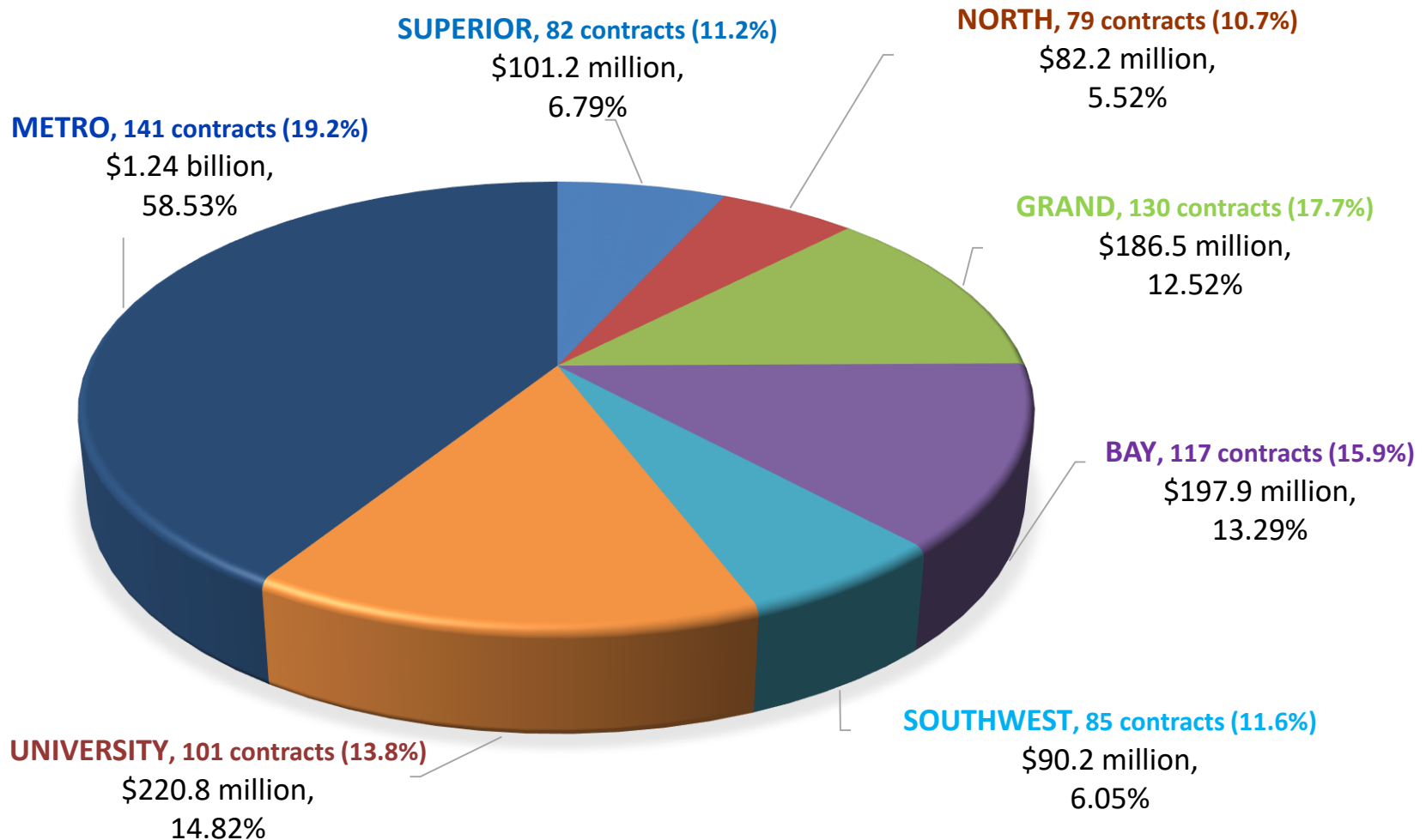
- ❑ State Trunkline and Local Area program projects are randomly selected from each bid letting to participate in an “unbalanced” bidding review
- ❑ State Trunkline and Local projects \geq \$5 million as the engineer’s estimate are automatically chosen for review
- ❑ An “unbalanced” bid is classified as either materially or mathematically unbalanced within the pay items of a project as bid
 - ❖ A materially unbalanced bid, for example, would be considered pending correction of a plan quantity error
 - ❖ A mathematically unbalanced bid is more common. For example, a unit price bid as \$0.01

Fiscal Year 2018

- ❑ 751 State Trunkline and Local area projects were let with 261 or 34.75%, selected for review
- ❑ The 261 projects represented \$794.6 million in total low bid dollars
- ❑ No projects were rejected as a result of unbalanced bidding

Projects Awarded by REGION – FY 2018

Number and Dollars (In million) of Projects Awarded



- During FY18, 735 projects were awarded with \$2.12 billion in total contract dollars
- FY17 awarded a total of 676 projects with \$1.27 billion as the total contract dollars

FY 2018 Innovative Contracting

A total of 24 Innovative projects awarded FY 2018 account for the reported \$880.8 million in contract dollars.

☐ **Contract Award Classifications**

- Fixed Priced Variable Scope (FPVS)
 - ❖ 15 FPVS contracts at \$10.10 million
- Design|Build
 - ❖ 3 contracts at \$857.8 million (totals include the I-75 Modernization DBFM project outlined below)
- Job Order Contracting
 - ❖ 3 contracts at \$1.59 million
- Modified Low Bid
 - ❖ 1 contract at \$4.98 million
- CMGC (Construction Manager|General Contractor)
 - ❖ 2 contracts at \$6.28 million

☐ **I-75 Modernization Design-Build-Finance-Maintain (DBFM) Project**

- Segment 1 - I-75 Performance Based Tree Replacement
- Segment 2 – Design|Build for reconstruction and realignment of I-75 mainline
- Segment 3 – Final portion of this project is Design|Build|Finance|Maintain (DBFM)
 - ❖ Selection is Preferred Bidder Designation – Oakland Corridor Partners includes a selection of three qualified contractors
 - ❖ The DBFM procurement allows for the flexibility to fund the project with availability payments spread out over 30 years
 - ❖ This procurement method requires the Oakland Corridor Partners to maintain the construction for 25 years after completion
 - ❖ The construction cost for this project is estimated at \$629.2 million

FY 2019 Project Projections

Effective: October 2018

Let Month	Number	Estimated Dollars
OCT	15	\$51.46
NOV	27	\$87.45
DEC	63	\$176.95
JAN	56	\$129.58
FEB	77	\$173.49
MAR	78	\$221.53
APR	20	\$41.07
MAY	5	\$12.28
JUN	2	\$0.86
JUL	5	\$4.83
AUG	10	\$12.84
SEP	5	\$32.25
Totals	363	\$944.60

- Project projections encompass State Trunkline program area only
- Projects with a total estimated dollar of \$944.6 million are scheduled to be advertised during FY19
- Projected projects are classified under work groups of road, bridge, and traffic and safety

Contract Services Division

Accomplishments and Future Goals

FY 2018 Accomplishments

- ❑ Construction prequalification applications are now being received via email

Goals for FY 2019

- ❑ Electronic signatures of construction contracts remains a goal for FY 2019
 - Contracts will be electronically transferred to the prime contractor for electronic signature. MDOT will then electronically sign the contracts to initiate the start of a project
- ❑ Develop electronic means for the eligibility to bid process
 - From paper to paper-less, this process will minimize the need for printing and storing of hard copies